

AMENDED IN ASSEMBLY APRIL 14, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1560

**Introduced by Committee on Labor and Employment (Monning
(Chair), Eng, Furutani, Ma, and Portantino)**

March 11, 2009

An act to add Section ~~320.7~~ 612 to the Unemployment Insurance Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1560, as amended, Committee on Labor and Employment. Professional employer organizations: regulation.

Under existing law, the Employment Development Department within the Labor and Workforce Development Agency is charged with administering the state's unemployment insurance program, which provides for the compulsory setting aside of funds to be used for a system of unemployment insurance providing benefits for persons unemployed through no fault of their own. *Existing law also requires employers, as defined, to register with the department and imposes penalties on employers for failure to register.*

~~This bill would state the intent of the Legislature to regulate professional employer organizations, including the requirement that those organizations register with the Employment Development Department and pay an annual registration fee prohibit a person or entity from providing, advertising, or otherwise holding itself out as providing professional employer services in the state, unless that person or entity is registered with the department.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 612 is added to the Unemployment*
2 *Insurance Code, to read:*

3 *612. A person or entity shall not provide, advertise, or*
4 *otherwise hold itself out as providing professional employer*
5 *services in the State of California unless that person or entity is*
6 *registered with the department.*

7 ~~SECTION 1. Section 320.7 is added to the Unemployment~~
8 ~~Insurance Code, to read:~~

9 ~~320.7. It is the intent of the Legislature to regulate professional~~
10 ~~employer organizations, including requiring professional employer~~
11 ~~organizations to register with the Employment Development~~
12 ~~Department and pay an annual registration fee.~~